Consumer Alert

Providing consumers with knowledge to make informed decisions



Celebrating 30 Years

A Publication of the South Carolina Department of Consumer Affairs



Brandolyn Thomas Pinkston, Administrator

If you would like to receive a free subscription to the Consumer Alert, email Storm@dca.state.sc.us.



Coalition Against Fraud Created

Pictured from the front counter-clockwise is Strom Thurmond, Jr., US Attorney; Neal Dolan, US Secret Service; Robert Stewart, Chief, SLED; Brandolyn Thomas Pinkston, Administrator, Department of Consumer Affairs; Phil Coghlan, FBI; Henry McMaster, SC Attorney General; Anna Albers, Department of Consumer Affairs; and Jeff Moore, Sheriffs' Association. Not pictured are Ron Grosse, FBI; Jeffrey Bruning, FBI; Kevin McDonald, US Attorney's Office; Aaron Hawkins, FBI; and Trey Walker, Attorney General's Office.

Organized by the South Carolina Department of Consumer Affairs, the Coalition Against Fraud convened on December 8, 2004. The Fraud Task Force, a joint venture of the **Department of Consumer Affairs**, **FBI**, **US Secret Service**, **US Attorney General's Office**, **Sheriffs' Association** and **US Attorney's Office**, will work together to educate and inform the public on fraudulent and deceptive practices and how to protect themselves. One of the first efforts of the newly formed group is the publication of a quarterly newsletter called the FRAUD ALERT. The first issue will be distributed via email in March 2005.

Computer Safety: Use a Firewall

Firewalls, used in connection with data security patches, anti-virus and anti-security software can help safeguard computer users from many Internet threats, including personal information theft and identity fraud. Acting as barriers through which information is filtered, firewalls block unauthorized users from breaking into computers. In particular, firewalls are critical for cable modem and DSL Internet connection customers. While utilizing a firewall does not guarantee a computer is safe from e-mail viruses, adware, and spyware, firewalls do significantly deter computer hackers from accessing important personal information from consumers' computers.

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About the South Carolina Department of Consumer Affairs:

Established by the Consumer Protection Code in 1974, The South Carolina Department of Consumer Affairs represents the interests of South Carolina Consumers. Our mission is to protect consumers from inequities in the marketplace through advocacy, mediation, enforcement and education. For more information, visit www.state.sc.us/consumer.

Volume V, Issue 6 Page 2



Holiday Bill Blues

After the decorations are put away and the last cup of eggnog is downed, many South Carolina consumers' rosy glow will start to fade as they gaze at the bills they accumulated during the holiday season.

In order to eliminate the holiday blues, tackle holiday debt head-on by paying off your credit cards. Although it won't be easy, these steps will help you achieve debt relief:

- Create a budget and stick to it. By knowing how much you can spend, you will be able to spend wisely.
- Always pay more than the minimum amount on your credit card bills.
- Try to pay off the credit card with the highest interest rate first.
- Stop spending money on non-essentials, including luxury items.
- Try to avoid using your credit cards altogether.
- Spend less eating out even on special occasions.
- Try to conserve everything: water, gas, electricity, it will save you money in the long run.

Credit Life Insurance Changes in Effect January 1, 2005

The South Carolina High Cost and Consumer Home Loan Act (also known as the Predatory Lending Law), signed in 2003, protects consumers from unconscionable lenders and loan practices. According to this law, financing credit life, credit disability, or unemployment insurance is prohibited in all home loans effective January 1, 2005.

As of January 1, only credit insurance paid on a monthly basis is permitted. This is an important key element, since undisclosed premium credit insurance policies, when added into the loan, can possibly inflate a mortgage by thousands of dollars and eventually strip the equity from the borrower's home.

LifeSmarts Reminder:

It's not too late to participate in LifeSmarts! This educational competition, billed as The Ultimate Consumer Challenge, can be used as an activity for teens in classes, clubs and community organizations.

The Online competition must be completed by **February 4, 2005**.

The State Competition will be March 4, 2005!

For more information contact:

Sherry G. King, South Carolina LifeSmarts State Coordinator at 803.734.4195 or 1.800.922.1594

E-mail: King@dca.state.sc.us

Questions About a Business?

The South Carolina Department of Consumer Affairs' Buyer Beware List has answers. Check out the list at http://www.state.sc.us/consumer/material/buyer beware list.pdf

in order to protect yourself as a consumer of products and services in South Carolina. The list, which is updated monthly, itemizes the names and contact details of businesses, in and out of state, which have not responded to one or more consumer complaints. In order for a business to be taken off of the list, all of the business' outstanding complaints must be addressed in writing.

If you have questions about other businesses, or would like a copy of the list, contact the South Carolina Department of Consumer Affairs at www.state.sc.us/consumer, or at (803) 734.4200 or (800) 922.1594 (toll free in South Carolina).

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